

Argo – The good ship Argo continues its journey, emphasising stable and growing dividends

Company/ASX Code	Argo Investments/ARG
AGM time and date	10:00am on Wednesday, 22 October
Location	Adelaide Convention Centre, North Terrace, ADL.
Registry	Boardroom Pty Limited, Sydney
Type of meeting	Physical + Broadcast (view only, no hybrid meeting facility)
Monitor	Greg OConnell assisted by Stephen Howie with Tony Greco observing.
Pre-AGM Meeting	Yes, in Argo's Adelaide office with Chief Operating Officer Timothy Binks and, by video, with Chairman Peter Warne. ASA represented by Greg OConnell, Stephen Howie and Tony Greco.

Monitor Shareholding:

Some individuals (or their associates) involved in the preparation of this voting intention have a shareholding in this company.

1. How we intend to vote

No.	Resolution description	
2	"That the Remuneration Report for the financial year ended 30 June 2025 be adopted."	Yes
3	"That Mr. Symon Parish, who was appointed by the Board as a Non-executive Director on 3 October 2025 and will retire at the end of the Meeting in accordance with clause 59 of the Company's Constitution, being eligible, be elected as a Director of the Company."	Yes

2. Summary of Issues and Voting Intentions for AGM

- From Argo's *AGM Report, Letter from the Chairman* we understand Argo's investment strategy prioritises *delivering above-market levels of fully franked dividend income, and long-term capital growth*.

Argo is very large, has a diversified portfolio; a low-turnover investment approach and a focus on higher dividend-paying companies rather than growth-oriented stocks. It does meet its dividend objective and we consider it understandable that some performance is sacrificed relative to the S&P/ASX 200 Accumulation Index resulting in the S&P/ASX 200 Accumulation Index being an aspirational performance target. It is encouraging that in FY25, Argo Long-Term Incentive (LTI) performance awards met performance targets for the two most recent four-year performance periods, reflecting performance that met or exceeded this aspirational benchmark. We also note five-year NTA based returns have exceeded that Benchmark. With this understanding, ASA intends to vote for the Remuneration Report.

- Our Pre-AGM discussion with Argo highlighted the unique fund and portfolio management background and skills Director Symon Parish can bring to the Board. These skills will be highlighted at the AGM and ASA will be voting for his election.
- We advised Argo in FY23 and FY24, we believe retail shareholders would benefit from the Board skills matrix identifying individual skills on a per director basis. Again, we express this point to Argo who are listening although not totally persuaded.

See [ASA Voting guidelines](#) and [Investment Glossary](#) for definitions.

3. Matters Considered

Accounts and reports

(As at FYE)	2025	2024	2023	2022	2021	2020
Total Assets	8.0b	7.4b	6.9b	6.4b	6.6b	5.3b
NPAT (\$m)	260	253	272	313	174	199.5
UPAT (\$m)	260	253	272	313	174	199.5
Share price (\$)	9.15	8.64	8.76	8.80	8.93	7.19
Dividend (cents)	37.0	34.5	34.5	33	28	30
Simple TSR (%)	10.2%	2.6%	3.9%	2.24%	28.5%	-7.76%
EPS (cents)	34.1	33.3	36.1	42.7	24.1	27.8
CEO total remuneration, actual (\$m)	1.85	1.34	1.24	1.35	1.03	1.23

Simple TSR is calculated by dividing (change in share price plus dividend paid during the year, excluding franking, by the share price at the start of the year.

Remuneration Incentives

Included in the Argo Annual Report at page 21, the *Letter from the Chair of the Remuneration Committee* summarises FY25 performance clearly and succinctly and details how executives received 53% of maximum Short-Term Incentives (STI) and 20% of maximum Long-term-Incentives (LTI) as a response to Company performance.

During our Pre-AGM meeting with Argo, we discussed performance objectives with the Chairman, who reiterated Argo's objective (as described in the Annual Report) of providing stable growing dividends complementing (while outweighing) capital growth. With an *above-market fully franked dividend* focus, the resulting concentration on dividend paying stocks results in a lesser quantum of capital growth stocks, leading to an underperformance against the benchmark being more likely.

We note FY2025 5-year investment returns exceed their benchmark and the two most recent 4-year Long Term Incentive (LTI) award periods (2025 and 2024) have Investment performance return meeting or exceeding the Accumulation Index. Longer term, Argo's most recent 10-year portfolio performance is less than the S&P/ASX 200 Accumulation Index (as it has been for the 8 periods prior).

ASA supports Argo's Remuneration Framework with outperformance against the Benchmark as an objective and expecting actual performances will be moderated by the dividend focus.

Director elections/re-elections & Key Board/senior management changes

Director Tenures at Financial Year end are summarised below:

Board Member	Appointed	Years served at	Years to reach	Independent?
		22-Oct-25	9	
Chris Cuffe	25-Aug-16	9.16	RETIRING	YES
Peter Warne	01-Nov-22	2.98	6.0	YES
Elizabeth Lewin	01-Jul-18	7.32	1.7	YES
Lianne Buck	01-Jul-22	3.31	5.7	YES
Melissa Holzberger	30-Aug-23	2.15	6.9	YES
Jason Beddow	03-Feb-14	11.72		NO

Past Chairman Russell Higgins retired 31-December-2024.

Peter Warne was appointed Chairman on 1-January-2025.

Christopher Cuffe will retire as Director 22-October-2025 after 3 terms of 3 years.

Symon Parish was appointed as independent Non-executive Director effective 3-October-2025.

Argo has a period of Board renewal behind it and now has multiple directors who are well within the 9-year term for ASA to consider them to be Independent. The past Chairman, Russell Higgins, had a tenure exceeding 13 years, he retired during FY2025 and is replaced by Chairman Peter Warne 1-Jan-2025.

By ASA calculations the workload of Chair Peter Warne is very high however he works full time; directorships for Argo, AGLI and IPH are for smaller companies, and the Virgin workload is still being established. His attendance record shows full attendances with no concerns being raised.

By ASA calculations the workload of Director Lianne Buck is high however several of her appointments involve not-for-profit(s) and unlisted companies where the role complexity is less than for large and publicly listed companies.

The board has a majority of independent directors.

Argo's gender diversity target (See <https://argoinvestments.com.au/wp-content/uploads/Corporate-Governance-Statement-Argo-2025-approved.pdf> sighted on

27Sep2025) is for a minimum of one-third of each gender while ASA's diversity target is for 40% of each gender. Argo meets its own target and also meets ASA's target.

Skills matrix

As ASA commented in FY2023, and FY2024, Argo provides Aggregated Director skills in a Skills Table rather than "per director" skills in a Skills Matrix. (See <https://argoinvestments.com.au/wp-content/uploads/Corporate-Governance-Statement-Argo-2025-approved.pdf> sighted on 27Sep2025) This can make it challenging for shareholders to determine Board skill needs; assess level of contribution of individual directors and determine whether any Director offers unique skills.

In our Pre-AGM meeting the Chairman Peter Warne described the Funds and Portfolio Management experience of Director Symon Paris, up for election, being a valuable skill for the Argo Board. We will vote for re-election of Director Symon Parish.

Shareholder engagement

We observed a low level of shareholder voting at Argo's 2025 AGM with only 7.2% of shareholders voting on the Remuneration report. Argo have initiated communications meetings at capital cities in recent years and monitor changes in shareholder holdings to engage with significant holders. The low level of retail shareholder voting is a common factor in several companies dominated by retail shareholders.

Governance and culture

Argo publishes a Corporate Governance Statement on their website (<https://argoinvestments.com.au/wp-content/uploads/Corporate-Governance-Statement-Argo-2025-approved.pdf>) sighted on 27Sep2025)

ASA's preference for hybrid AGMs (where shareholders can participate remotely) was raised with Argo. Argo advise their two COVID era hybrid meetings had minimal attendances, a significant cost and no questions were asked by shareholders. Hybrid AGMs do not appear to be a strong preference for Argo shareholders.

Key events

Excluding one-off, non-cash income, Argo's profit and Earnings-per-share increased from last year; Argo's interim and Final dividends were both at record high levels of 37.0 cps fully franked.

Argo offered Dividend Reinvestment Plans and Dividend Substitution Share Plans for both Dividend payments this financial year.

Argo's investment performance, measured by NTA return after all costs and tax, and adjusted for Company tax paid, was +13.3% compared to the S&P/ASX200 Accumulation Index return of +13.8%.

The Management Expense Ratio (MER) was 0.15% in FY2024 and 0.15% in FY2025.

Total shareholders reduced from 95,600 in FY2023 to 93,000 in FY2024 and 88,968 in FY2025.

Key Board or senior management changes

Sustainability/ESG

Argo does not have a large social or environmental presence.

Argo has an ESG Web page at:

<https://argoinvestments.com.au/environmental-social-and-governance-esg/>

This describes how ESG issues are considered an inherent part of the investment process and influences voting decisions for companies in the Argo portfolio. Voting statistics on this page summarise Argo's proxy voting record for the period FY2015 to FY2025; for FY2025 showing 85 meetings, 2 AGAINST Remuneration votes, 2 AGAINST (Other) votes made.

4. Rationale for Voting Intentions

Resolution 1 - Financial and other Reports

- No vote required

Resolution 2 - Adoption of Remuneration Report

- Discussed in detail above.

Resolution 3 - Election of Director Mr Symon Parish

- Discussed above.

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Appendix 1

Remuneration detail FY2025

CEO Rem. Framework	Max. Opportunity \$m	% of Total
Fixed Remuneration	0.840	35.7%
STI – Cash	0.336	14.3%
STI – Equity	0.336	14.3%
LTI Tranche-1	0.336	14.3%
LTI Tranche-2	0.336	14.3%
LTI Tranche-3	0.168	7.1%
Total	2.352	100.0%

The amounts in the table above are the amounts that are envisaged in the design of the remuneration plan.

These are always a summary, refer to the Annual report for the full and detailed information.